

**MINUTES OF THE SPECIAL MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS**

December 9, 2013 – 1:00 PM

J. NEWTON COHEN, SR. ROOM

J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING
.....

Present: Jim Sides, Chairman
Craig Pierce, Vice-Chairman
Jon Barber, Member
Mike Caskey, Member
Chad Mitchell, Member

County Manager Gary Page, Clerk to the Board Carolyn Barger and County Attorney Jay Dees. Finance Director Leslie Heidrick was absent.

Chairman Sides convened the meeting at 1:00 p.m.

Commissioner Pierce provided the Invocation and also led the Pledge of Allegiance.

CONSIDER APPROVAL OF THE AGENDA

Commissioner Pierce moved to add a discussion regarding a proposal for a new West Rowan Elementary School. (Commissioner Pierce provided the Board with a handout prior to the start of the meeting). The motion was seconded by Commissioner Caskey and passed 4-1 with Commissioner Barber dissenting.

Chairman Sides added the issue as agenda item #2a.

1. CONSIDER APPROVAL OF CONSENT AGENDA

Commissioner Barber moved approval of the Consent Agenda. The motion was seconded by Commissioner Pierce and passed unanimously.

The Consent Agenda consisted of the following:

- A. Acceptance of Salisbury Community Foundation Grant Award

2. CLOSED SESSION: REAL PROPERTY PURCHASE

Commissioner Pierce moved the Board enter Closed Session at 1:02 p.m. in accordance with North Carolina General Statute § 143.318.11(a)(5) to discuss a real property purchase. The motion was seconded by Commissioner Mitchell and passed 4-1 with Commissioner Barber dissenting.

The Board returned to Open Session at 1:45 p.m.

Chairman Sides reported the Board had discussed the purchase of the Salisbury Mall (Mall) property in Closed Session.

Commissioner Pierce moved the Board accept the offer of \$3.425 million for the purchase of the Mall property, as well as the amendment to the contract for purchase of the property naming Rowan County as the buyer and County Manager Gary Page as the signature. Commissioner Mitchell seconded the motion.

Commissioner Barber asked if a strategic plan should have been shared with the citizens to help them understand the purchase. Commissioner Barber said his main argument for not validating the purchase was he felt the Mall could not be redeveloped without a tax increase and that he would not vote for a tax increase in the future if the increase was due to the redevelopment of the Mall.

Chairman Sides referred to Commissioner Barber's comments and agreed that the Mall could probably not be redeveloped without a tax increase. Chairman Sides went on to explain that the Board could not meet the Sheriff's Department needs for storage, needs for the Veteran Services Office and the Board of Elections, as well as other departments. Chairman Sides the County had those capital needs now and would have them years from now and none of those needs would probably be met without a tax increase. Chairman Sides said the needs could be met with less of a tax increase with the Mall purchase than they would be if the County had to construct new buildings.

Commissioner Mitchell said Chairman Sides had made an excellent point. Commissioner Mitchell said the list of capital needs had been growing. As an example, Commissioner Mitchell pointed out the Sheriff's warehouse was listed in the Capital Improvement Plan (CIP) at \$1.2 million. Commissioner Mitchell said if the County could provide the warehouse at the Mall for \$500,000, the County would realize a \$700,000 savings. Commissioner Mitchell compared the savings from a 1.2 cent tax increase to build the needed warehouse or a 0.3 cent tax increase to provide the warehouse. Commissioner Mitchell continued to provide examples of space currently needed for county departments and the potential savings that would be incurred by the Mall purchase.

Commissioner Mitchell continued by saying the purchase was not an argument of whether the County was destroying downtown. Commissioner Mitchell cited the

space needs for the courthouse but said the courthouse was not moving to the Mall. Commissioner Mitchell explained that other departments could be moved to the Mall that would free up space to address expansion needs for the courthouse. Commissioner Mitchell said the Mall purchase was not a design to destroy downtown but rather to make the courthouse a functioning, operational building. Commissioner Mitchell said the only way to make the courthouse what it should be was through the purchase of the Mall.

Commissioner Mitchell said providing the square footage needed overall would save the taxpayers some money by providing space for needs that had been put off for a decade.

Commissioner Mitchell said one would think the City of Salisbury would want to split the deal since the County was taking a facility in the city limits that would have been an eyesore. In conclusion, Commissioner Mitchell said the County could take a building that had lost all useful life and make something of it.

Commissioner Caskey supported the Mall purchase. Commissioner Caskey said he had been asked if the County planned to move the court system to the Mall; however, he did not feel a majority of the Board supported moving the court system. Commissioner Caskey said the County did not want its county seat to become a ghost town. Commissioner Caskey said having the flexibility to move some folks from downtown would increase the long term use for the courthouse facility. Commissioner Caskey said while 315,000 square feet at the Mall sounded like a lot of space, he did not feel the Mall would be so spacious once departments started to move in.

Commissioner Pierce said the County's plans had been discussed since October. Commissioner Pierce said the County had been criticized for not having a master plan. Commissioner Pierce said the County had also been flooded with requests for space. Commissioner Pierce said the County wanted to have input from the community about what they may need for the County to repurpose at the Mall to give everyone an equal opportunity to maximize the space.

Upon being put to a vote, the motion on the floor passed 4-1 with Commissioner Barber dissenting.

Commissioner Caskey moved to allocate up to 20% of the Mall's square footage to be used for public education uses. The motion was seconded by Commissioner Pierce.

In response to an inquiry from Chairman Sides, Commissioner Caskey clarified the motion included "all public education" whether it was for Rowan Cabarrus Community College, a charter school, etc. Commissioner Caskey said the intent was to use the space for public education.

Chairman Sides commented that he had been approached by Smart Start Rowan about the possibility of using space at the Mall.

Commissioner Barber asked if the motion included the Home School Association and four-year colleges, such as Catawba and Livingstone. Commissioner Caskey said the motion dealt with public education.

Commissioner Pierce clarified that the motion was to “allocate” space and not to “give” space for public education. Commissioner Pierce said the motion was intended to help those in public education who did not have funds to construct buildings.

The motion passed 4-1 with Commissioner Barber dissenting.

ADDITION

WEST ROWAN ELEMENTARY SCHOOL CONSTRUCTION PROPOSAL

Commissioner Pierce presented a proposal to fund the construction of a new elementary school to replace the current school facilities at Cleveland and Woodleaf. The consolidated facility would be located by the Board of Education (BOE) to achieve efficient use of travel and service to both communities.

Commissioner Pierce proposed an amount not to exceed twenty-two (22) million dollars to be provided for land acquisition, engineering and site preparation, construction of the facility and parking area and all associated equipment and furnishings.

The facility should be designed in a cost efficient manner to house the existing and future needs of the school population for the western area of the county that the current elementary facilities service.

Debt service for the proposal would be funded by the current lottery contributions from the State and the current funds from the school bond issued in 1993. The 1993 bond will reach maturity in December 2016 and those funds will be allocated to the debt service for this construction.

Commissioner Pierce felt the two (2) facilities had reached and exceeded their design function and it was time for their replacement. Commissioner Pierce also felt the construction proposal was paramount over any other school construction issue.

Commissioner Pierce put the proposal in the form of a motion. The motion was seconded by Commissioner Caskey.

Commissioner Barber said consolidation of the two (2) schools had been met with opposition years ago by the communities involved. Commissioner Barber felt the Board should receive citizen input before offering the proposal.

Commissioner Mitchell said the proposal had been on the priority list of the BOE for a long time. Commissioner Mitchell said the proposal identified a starting point to indicate there was a revenue stream to replace and consolidate the two (2) schools or they could wait another ten (10) to twenty (20) years for a revenue stream to construct two (2) new schools. Commissioner Mitchell said the BOE did not have to build based on the proposal. Commissioner Mitchell said the Board was offering the first of many steps in a process that would also allow for public input. Commissioner Mitchell said the process would allow for the replacement of the two (2) schools through consolidation with a revenue stream that had been identified.

Commissioner Barber commented so much had been said about money during the meeting that “it seems like we have an endless source of supply for money”.

Commissioner Mitchell responded to Commissioner Barber’s comment and said he should not take the proposal incorrectly. Commissioner Mitchell said the Board was indentifying currently being used revenues and as those revenues were freed up, they would fund the consolidated school. Commissioner Mitchell said the Board was not talking about spending any additional money in the terms of revenue streams.

Commissioner Caskey said the Board was not offering a “take it or leave it” proposal. Commissioner Caskey agreed with Commissioner Mitchell that there were needs at the schools and the proposal was a starting point to address those needs. Commissioner Caskey said the funding source had been identified and the BOE would have to do its due diligence when considering the proposal. Commissioner Caskey said the Board was trying to work with the BOE through various proposals for a central office, as well as for the consolidated school.

Chairman Sides complimented Commissioner Pierce for his efforts with the current proposal, as well as other proposals. Chairman Sides said he could not support the current proposal for many reasons. Chairman Sides said the BOE had been offered and refused a lot of items, such as numerous sites for a central office. Chairman Sides said he had met with the BOE Chairman and Superintendent and they had agreed to hold regular meetings to discuss capital and current needs. Chairman Sides said there was only so much funding available to address the BOE’s capital needs, with the options being to raise taxes or identify other revenue streams. Chairman Sides continued to discuss funding streams, as well as current proposals already on the table and said he could not vote for the current proposal.

Commissioner Mitchell said the proposal was talking about the revenues currently paying for the 1993 bonds and the fact those bonds would be completely paid for in December 2016. Commissioner Mitchell said he presumed that by the time the BOE held its community meetings on the proposal and decided how to proceed, those funds would be freed up for the debt service on the proposal. Commissioner Mitchell said the Commissioners would not talk about spending debt service money until the BOE held its public meetings on consolidation. Commissioner Mitchell said if consolidation was approved, the BOE had to locate the site, etc. and that he estimated the Commissioners were a year to two years into providing the funding.

Chairman Sides responded to Commissioner Mitchell and said, "that is not identified in the motion". Chairman Sides asked where the County would be if the BOE decided to move forward immediately.

County Manager Gary Page pointed out that the proposal would call for the BOE to meet with the community, six months of drawing plans, eighteen months to build the school, the County would be into 2016 when the 1993 bond debt would be paid off.

Chairman Sides said he was still willing to meet with the BOE to discuss current and capital needs and establish a plan for achieving them.

Commissioner Mitchell said he hoped the proposal would send a signal that the meetings should occur and that the Commissioners had a willingness "to make some dents in the facility needs of our school system".

Commissioner Pierce said he appreciated the Chairman's interpretation of the proposal. Commissioner Pierce explained the intention was to identify there was a need, especially at Woodleaf Elementary School due to water and raw sewage issues existing there. Commissioner Pierce said it was time for the Commissioners to step up and identify the problem and offer a remedy.

Commissioner Pierce said the combined population for both schools in question was less than six hundred (600) students and he felt it was not practical to build two (2) schools at an estimated cost of \$16 million each. Commissioner Pierce said if the Commissioners offer the proposal to the BOE, the BOE would perform its due diligence, hold public meetings, find an appropriate site, etc. Commissioner Pierce said the last payment for the 1993 bond would be in December 2016 and the County would have funds in January 2017 to provide the full debt service.

Upon being put to a vote, the motion on the floor passed 3-2 with Commissioners Sides and Barber dissenting.

ADJOURNMENT

There being no further business to come before the Board, Commissioner Barber moved to adjourn at 2:33 p.m. The motion was seconded by Commissioner Mitchell and passed unanimously.

Respectfully Submitted,

Carolyn Barger, CMC, NCCCC
Clerk to the Board/
Assistant to the County Manager